STAND. COM. REP. NO. 74

Honolulu, Hawaii

MAR 1 8 2014

H.B. No. 2543 RE: S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committees on Agriculture and Energy and Environment, to which was referred H.B. No. 2543 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST BIOTORK HAWAII LLC,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to BioTork Hawaii LLC (BioTork) for the development and operation of a facility to convert agricultural crops and by-products to biofuels and highprotein feed.

Your Committees received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawaii Farm Bureau Federation; and BioTork Hawaii, LLC. Your Committees received comments on this measure from the Department of Budget and Finance.

The high cost of energy and livestock feed are significant barriers to food security and sustainability in Hawaii. BioTork's proposal to convert agricultural crops and byproducts such as albizia, sweet potatoes, papaya, and molasses to biofuels and high-protein feed would be a boon to Hawaii's agricultural sustainability and economy.

Your Committees request that BioTork submit to your Committees by April 11, 2014, copies of letters from the Department of Business, Economic Development, and Tourism and the



Department of Budget and Finance affirming that these agencies have received and reviewed the applicant's business plan. Your Committees do not require that these letters contain approval for, or render a conclusion regarding, the applicant's business plan.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2543, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2543, S.D. 1, and be referred to the Committee on Ways and Means.

MIKE GABBARD, Chair`

Respectfully submitted on behalf of the members of the Committees on Agriculture and Energy and Environment,

CLARENCE K. NISHIHARA, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Agriculture AGL

HB2543 Committee Referral: Date: AGLENE, WAM S/13/14							
The committee is reconsidering its previous decision on this measure.							
If so, then the previous decision was to:							
The Recommendation is:							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members	Aye	Aye (WR)	Nay	Excused			
NISHIHARA, Clarence K. (C)							
KOUCHI, Ronald D. (VC)							
DELA CRUZ, Donovan M.							
ENGLISH, J. Kalani							
THIELEN, Laura H.	,						
WAKAI, Glenn							
SLOM, Sam				·			
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TOTAL	4	2	Ø				
Recommendation:			- /	•			
Adopted Not Adopted							
Chair's or Designee's Signature:							
Distribution: Original Yellow Pink Goldenrod Clerk's Office Drafting Agency Committee File Copy							

*Only one measure per Record of Votes

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Energy and Environment ENE

	Committee Referral: Date: 3/13/14						
HB 2543 AGLIENE, WAM 3/13/14							
The committee is reconsidering its previous decision on this measure.							
If so, then the previous decision was to:							
The Recommendation is:							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members	Aye	Aye (WR)	Nay	Excused			
GABBARD, Mike (C)	\nearrow						
RUDERMAN, Russell E. (VC)	X						
CHUN OAKLAND, Suzanne				·X			
IHARA, Jr., Les				\overline{X}			
SLOM, Sam		X					
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TOTAL	2)	•	A h			
Recommendation: Adopted Not Adopted							
Chair's or Designee's Signature:							
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

*Only one measure per Record of Votes